

COUNTY EXECUTIVE'S 2007 BUDGET

DEPT: DEPARTMENT OF ADMINISTRATIVE SERVICES –
ECONOMIC AND COMMUNITY DEVELOPMENT

UNIT NO. 1192
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

The purpose of the Economic and Community Development Division is two-fold. Through economic development activities, it is charged to preserve and enhance the tax base of the County by undertaking programs and activities that stimulate, attract and revitalize commerce, industry and manufacturing. Its goal is to promote area-wide, regional economic development, marketing and cooperation among all involved governments and private-sector groups to provide for a unified development approach for the Milwaukee area.

Secondly, the Division seeks to maximize available public and private resources and provide professional services to promote self-sufficiency; to ensure that County neighborhoods are viable communities and that housing choices are safe and affordable for low and moderate income households.

Pursuant to Section 59.82 of the Wisconsin Statutes, Milwaukee County may participate in the

development of a research and technology park through a nonprofit corporation organized specifically for this purpose. The Milwaukee County Research Park Corporation (MCRPC) was incorporated on May 18, 1987, with a mandate from Milwaukee County to develop a research park on approximately 172 acres of County land in the southwest quadrant of the County Grounds adjacent to the Milwaukee Regional Medical Center.

The development objective of the MCRPC is the establishment of a quality research and technology park that will complement, to the greatest extent possible, the Milwaukee Regional Medical Center, the University of Wisconsin-Milwaukee, the Milwaukee School of Engineering, Marquette University and the Medical College of Wisconsin, and enhance the economy of the City of Wauwatosa, Milwaukee County and the State of Wisconsin.

BUDGET SUMMARY				
Account Summary	2005 Actual	2006 Budget	2007 Budget	2006/2007Change
Personal Services (w/o EFB)	\$ 1,563,654	\$ 1,772,084	\$ 1,516,543	\$ (255,541)
Employee Fringe Benefits (EFB)	985,501	1,005,058	1,157,368	152,310
Services	1,104,639	1,053,443	1,048,343	(5,100)
Commodities	16,335	31,900	31,356	(544)
Other Charges	18,051,797	18,186,569	14,725,412	(3,461,157)
Debt & Depreciation	0	0	0	0
Capital Outlay	5,076	16,000	15,975	(25)
Capital Contra	0	0	0	0
County Service Charges	804,352	782,147	727,035	(55,112)
Abatements	(3,354,437)	(4,261,163)	(4,129,067)	132,096
Total Expenditures	\$ 19,176,917	\$ 18,586,038	\$ 15,092,965	\$ (3,493,073)
Direct Revenue	2,126,606	1,933,000	2,064,500	131,500
State & Federal Revenue	17,239,120	17,994,518	15,291,689	(2,702,829)
Indirect Revenue	517,080	518,317	1,000	(517,317)
Total Revenue	\$ 19,882,806	\$ 20,445,835	\$ 17,357,189	\$ (3,088,646)
Direct Total Tax Levy	(705,889)	(1,859,797)	(2,264,224)	(404,427)

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2005 Actual	2006 Budget	2007 Budget	2006/2007 Change
Central Service Allocation	\$ 399,676	\$ 223,591	\$ 205,509	\$ (18,082)
Courthouse Space Rental	194,724	202,915	250,130	47,215
Tech Support & Infrastructure	76,617	94,846	81,084	(13,762)
Distribution Services	3,309	4,133	4,893	760
Telecommunications	6,691	8,329	6,628	(1,701)
Record Center	5,502	5,879	10,537	4,658
Radio	0	0	0	0
Computer Charges	21,993	28,857	7,838	(21,019)
Applications Charges	60,150	121,368	59,764	(61,604)
Total Charges	\$ 768,662	\$ 689,918	\$ 626,383	\$ (63,535)
Direct Property Tax Levy	\$ (705,889)	\$ (1,859,797)	\$ (2,264,224)	\$ (404,427)
Total Property Tax Levy	\$ 62,773	\$ (1,169,879)	\$ (1,637,841)	\$ (467,962)

* These costs are included in other departmental and non-departmental budgets. They are reflected here to show the "total" amount of tax levy support for this Department.

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PERSONNEL SUMMARY				
	2005 Actual	2006 Budget	2007 Budget	2006/2007 Change
Personal Services (w/o EFB)	\$ 1,563,654	\$ 1,772,084	\$ 1,516,543	\$ (255,541)
Employee Fringe Benefits (EFB)	\$ 985,501	\$ 1,005,058	\$ 1,157,368	\$ 152,310
Position Equivalent (Funded)*	36.0	35.5	30.0	(5.5)
% of Gross Wages Funded	96.1	96.0	96.7	0.7
Overtime (Dollars)**	\$ 13,685	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.0	0.0	0.0	0.0

* For 2005 Actuals, the Position Equivalent is the budgeted amount.

** Delineated for information. (Also included in personal services.)

PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Fringe Benefits)
Fiscal & Management Analyst	Unfund	1/1.0	Administration	\$ (51,946)
Housing & Comm Dev Prog Coord	Unfund	1/1.0	Block Grant	(56,120)
Secretary	Transfer Out	1/1.0	Special Needs	(41,426)
Housing Program Assistant	Transfer Out	3/3.0	Special Needs	(139,404)
Housing & ComDev Specialist	Transfer Out	1/1.0	Special Needs	(65,213)
Assist Housing Program Coord	Transfer Out	1/1.0	Special Needs	(55,222)
Housing Prog Assist (Rent Assist)	Unfund	1/1.0	Voucher Program	(41,426)
Economic Development Spec.	Create	2/2.0	Real Estate	110,628
			TOTAL	\$ (340,129)

MISSION

The Economic and Community Development Division provides quality services and responds quickly and effectively to meet the needs of other County agencies, citizens and businesses. The Division develops initiatives and operates programs that are designed to preserve and enhance the County's tax base and increase employment opportunities by helping to create an environment that stimulates business growth and development.

DEPARTMENT DESCRIPTION

The Economic and Community Development Division consists of several sections.

The **Community and Business Development Section** develops and administers programs designed to enhance the business climate, allowing existing businesses in Milwaukee County to flourish and expand while attracting new businesses to the community. Specific responsibilities include

assisting businesses in accessing Milwaukee County resources and services, identifying and referring businesses to various sources of technical and financial assistance, working with municipalities and economic development agencies to package services to companies and promoting Milwaukee County to outside businesses. The Section seeks to identify catalytic projects that can leverage County resources and expand development efforts and efficiency.

Additionally, the Section manages, monitors and distributes Federal Community Development Block Grant funds throughout 16 participating County municipalities. This Federal funding source provides approximately \$1.7 million annually for economic development, public works, housing and other services that principally benefit low and moderate income individuals and families in participating communities, as well as County-wide.

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The **Real Estate Section** manages, sells and acquires real estate for Milwaukee County. The Section manages and leases improved and unimproved properties, including air space parking lots for the Wisconsin Department of Transportation (WISDOT). The Section sells County-wide surplus real estate and tax deed foreclosure properties in Milwaukee County. It also manages real estate leasing functions for County departments.

The Section also administers the HOME Investment Partnership Program. This Federal entitlement grant provides funding for the production of affordable housing and the rehabilitation of existing housing, as well as down payment and closing cash assistance for eligible first-time home buyers. This Section manages the Home Repair Loan Programs that provide low or no interest loans to limited income homeowners to repair their homes. Loans are available for structural repairs, furnace problems, siding, sewer connections, plumbing, electrical repairs, exterior painting, energy or heat loss problems and code violations. This Section provides assistance to homeowners in determining the best method of home repair, selecting reputable contractors and proper inspections to ensure that quality work is performed at a reasonable cost.

The **Housing Choice Voucher Section** manages the Housing Choice Voucher (Section 8) Program. This Federally funded program subsidizes the rent of nearly 2,000 eligible low-income households living in privately owned housing throughout Milwaukee County. The program participant chooses the type and location of housing, and the rental unit is inspected to ensure it meets certain quality and safety standards. Program participants are annually re-certified to verify continued eligibility.

The **Special Needs Homeless Section** manages the Federally-funded Safe Haven and Shelter Plus Care Programs. The Safe Haven Program provides a home-like environment to seriously mentally ill homeless individuals who might otherwise be institutionalized. The Shelter Plus Care Program links supportive services with rental subsidies for homeless individuals who are seriously mentally ill, AIDS-HIV infected or alcohol/drug dependent.

BUDGET HIGHLIGHTS

- Personal services without fringe benefits decrease \$255,541, from \$1,772,084 to \$1,516,543.
- The Special Needs Homeless Section is transferred out of DAS - Economic and Community Development to the Department of Health and Human Services – Behavioral Health Division. This will result in the transfer of the following positions: one position of Secretary, three Housing Program Assistants (Special Needs), one Housing and Community Development Coordinator (Special Needs), one Assistant Housing Program Coordinator (Special Needs). This provides a personal services reduction of \$301,272, excluding fringe benefits. Also transferred is the Safe Haven grant of \$416,034, and the Shelter Plus Care grant, of \$2,215,206, as well as the associated expenditures.
- One Fiscal & Management Analyst 2, one position of Housing & Community Development Program Coordinator and one Housing Program Assistant (Rent Assistance) are unfunded due to fiscal constraints for a total savings of \$149,492, excluding fringe benefits.
- To better assist the department's economic and community development efforts, two Economic Development Specialist positions are created at a total cost of \$110,628, excluding fringe benefits.
- A revenue stream of \$400,000 which represents a 10 percent service charge on the county's first \$ 4 million in land sales occurs in 2007.
- Revenue from the federal Housing Choice Voucher program increases \$420,789, from \$11,911,138 to \$12,331,927 in 2007.
- Total parking revenue remains at \$1,550,000. The County receives an initial \$50,000 administrative fee, with the balance divided equally between the County and the State for a net revenue of \$800,000 in 2007.
- Revenue from Cellular Tower contracts increases \$30,000, from \$70,000 to \$100,000

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due to consolidation of revenue that was formerly provided to other departments into Economic & Community Development.

- The HOME Investment Partnership Program estimated Federal grant decreases \$147,684, from \$1,389,288 to \$1,241,604. The required Local match for the HOME program will be met through match credit that has been generated by the development of affordable housing projects by the County's Community Development Organization Southeast Affordable Housing Corporation and will require no tax levy in 2007.
- The Federal grant estimate for the 2007 Community Development Block Grant Program decreases \$271,842, from \$1,990,000 to \$1,718,158.
- The 2007 Budget provides a \$50,000 appropriation for the Economic and Community Development Reserve Fund.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severally liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."

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COMMUNITY DEVELOPMENT BLOCK GRANT ALLOCATION BY MUNICIPALITY				
<u>Municipality</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Projected</u>	<u>2006/2007 Change</u>
Bayside	\$ 27,975	\$ 29,200	\$ 33,447	\$ 4,247
Brown Deer	43,110	46,200	52,919	6,719
Cudahy	66,415	58,900	67,466	8,566
Fox Point	31,158	31,800	36,425	4,625
Franklin	63,705	58,100	66,550	8,450
Glendale	48,111	45,200	51,774	6,574
Greendale	45,502	43,600	49,941	6,341
Greenfield	77,007	72,100	82,586	10,486
Hales Corners	39,010	35,900	41,121	5,221
Milwaukee*	0	0	0	0
Oak Creek	65,750	60,600	69,414	8,814
River Hills	24,116	24,000	27,491	3,491
Saint Francis	53,460	49,400	56,585	7,185
Shorewood	53,692	47,700	54,637	6,937
South Milwaukee	66,763	59,100	67,695	8,595
Wauwatosa*	0	0	0	0
West Allis*	0	0	0	0
West Milwaukee	56,538	48,700	55,783	7,083
Whitefish Bay	<u>42,396</u>	<u>39,500</u>	<u>45,245</u>	<u>5,745</u>
TOTAL	\$ 804,708	\$ 750,000	\$ 859,079	\$ 109,079

* The cities of Milwaukee, Wauwatosa and West Allis do not participate in the Urban County Agreement with Milwaukee County.